

637.12  
11/30/1-3  
1996 May

# DEPARTMENT OF LIVESTOCK



MARC RACICOT, GOVERNOR

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## STATE OF MONTANA

(406) 444-2875 MILK CONTROL BUREAU

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### BEFORE THE BOARD OF MILK CONTROL OF THE STATE OF MONTANA ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

**PUBLISHED:** May 6, 1996  
**EFFECTIVE:** June 1, 1996  
12:01 a.m.

Due to the latest data available as of May 6, 1996, as applied to the Producer Formula the Producer Formula Index has been calculated to be 283.42. (Docket #69-84, first price announcement effective 7/01/84)

#### MINIMUM PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

**EFFECTIVE JUNE 1, 1996**, the minimum price to be paid milk producers, under ARM 32.24.301, will be \$16.24 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of nine cents for each one-tenth of one percent butterfat above or below the midpoint to each producer payment. The value of one pound of butterfat utilized will be ninety cents (\$.90).

#### MINIMUM PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

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CLASS II PRICE FOR MILK TESTING 3.5%

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\$11.48 /CWT

Average spray process dry milk solids  
price per pound = \$1.13250  
Multiplied by 8.2 x 8.2  
-----  
\$9.28650

\$9.28650

PLUS +

Average Grade 'A' 92 score butter  
price per pound = \$0.77500  
Multiplied by 4.2 x 4.2  
-----  
\$3.25500

+ \$3.25500

LESS 8.5% ( \$12.54150 X .085)

\$12.54150

- \$1.06603

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\$11.47547

Rounded to the nearest whole cent = \$11.48/hundredweight.

PLEASE RETURN

## =====

CLASS II BUTTERFAT PRICE PER POUND \$0.85 /LB

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Butterfat differential	(	\$0.77500 X .111	)	=	\$0.08603
Rounded to the nearest half cent	=				\$0.085

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CLASS II VALUE OF ONE POUND OF SKIM \$0.08813 /LB

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Butterfat value per pound	=	\$0.85
for milk at 3.5% test:		

Hundredweight price of milk testing 3.5%	=	\$11.48
LESS 3.5 pounds of butterfat at	\$0.85 per pound	- \$2.975

Value of 96.5 pounds of skim	=	\$8.505
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Value of one pound of skim	(	8.505 ÷ 96.5 pounds)	=	\$0.08813 /LB
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## =====

PRODUCER CLASS III PRICE IN MONTANA

REF: ARM 32.24.301(5)

## =====

CLASS III BUTTERFAT PRICE PER POUND \$0.70 /LB

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Avg. Grade 'A' 92 score butter price/LB	\$0.77500
LESS 10%	- \$0.07750
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	\$0.69750

Rounded to the nearest whole cent	=	\$0.70 per pound.
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## =====

CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED \$7.71 /CWT

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Avg. spray process dry milk solid price/LB	\$1.13250
Multiplied by 8.2	x 8.2
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	\$9.28650
	\$1.57871
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	\$7.70779

Rounded to the nearest whole cent	=	\$7.71 per hundredweight.
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## =====

CLASS III PRICE PER CWT FOR MILK TESTING 3.5% \$9.89 /CWT

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3.5 pounds of butterfat	x	\$0.70 per pound =	\$2.450
96.5 pounds of skim	x	\$0.07708 per pound =	\$7.438
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			\$9.888 /CWT

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

Compiled by:

*Marlys M. Koontz*  
 Marlys M. Koontz, Admin. Support  
 Montana Milk Control Bureau

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BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

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CLASS I SKIM PRICE BASED ON			CLASS II SKIM PRICE BASED ON			CLASS III SKIM PRICE BASED ON		
\$16.24 FOR 3.5% MILK			\$11.48 FOR 3.5% MILK			\$9.89 FOR 3.5% MILK		
96.5 LBS.	=	\$13.090	96.5 LBS.	=	\$8.505	96.5 LBS.	=	\$7.438
TEST	PRICE/LB		TEST	PRICE/LB		TEST	PRICE/LB	
2.50	\$0.13426		2.50	\$0.08723		2.50	\$0.07629	
2.55	\$0.13433		2.55	\$0.08728		2.55	\$0.07633	
2.60	\$0.13439		2.60	\$0.08732		2.60	\$0.07637	
2.65	\$0.13446		2.65	\$0.08737		2.65	\$0.07641	
2.70	\$0.13453		2.70	\$0.08741		2.70	\$0.07645	
2.75	\$0.13460		2.75	\$0.08746		2.75	\$0.07649	
2.80	\$0.13467		2.80	\$0.08750		2.80	\$0.07652	
2.85	\$0.13474		2.85	\$0.08755		2.85	\$0.07656	
2.90	\$0.13481		2.90	\$0.08759		2.90	\$0.07660	
2.95	\$0.13488		2.95	\$0.08764		2.95	\$0.07664	
3.00	\$0.13495		3.00	\$0.08768		3.00	\$0.07668	
3.05	\$0.13502		3.05	\$0.08773		3.05	\$0.07672	
3.10	\$0.13509		3.10	\$0.08777		3.10	\$0.07676	
3.15	\$0.13516		3.15	\$0.08782		3.15	\$0.07680	
3.20	\$0.13523		3.20	\$0.08786		3.20	\$0.07684	
3.25	\$0.13530		3.25	\$0.08791		3.25	\$0.07688	
3.30	\$0.13537		3.30	\$0.08795		3.30	\$0.07692	
3.35	\$0.13544		3.35	\$0.08800		3.35	\$0.07696	
3.40	\$0.13551		3.40	\$0.08804		3.40	\$0.07700	
3.45	\$0.13558		3.45	\$0.08809		3.45	\$0.07704	
3.50	\$0.13565		3.50	\$0.08813		3.50	\$0.07708	
3.55	\$0.13572		3.55	\$0.08818		3.55	\$0.07712	
3.60	\$0.13579		3.60	\$0.08823		3.60	\$0.07716	
3.65	\$0.13586		3.65	\$0.08827		3.65	\$0.07720	
3.70	\$0.13593		3.70	\$0.08832		3.70	\$0.07724	
3.75	\$0.13600		3.75	\$0.08836		3.75	\$0.07728	
3.80	\$0.13607		3.80	\$0.08841		3.80	\$0.07732	
3.85	\$0.13614		3.85	\$0.08846		3.85	\$0.07736	
3.90	\$0.13621		3.90	\$0.08850		3.90	\$0.07740	
3.95	\$0.13628		3.95	\$0.08855		3.95	\$0.07744	
4.00	\$0.13635		4.00	\$0.08859		4.00	\$0.07748	
4.05	\$0.13643		4.05	\$0.08864		4.05	\$0.07752	
4.10	\$0.13650		4.10	\$0.08869		4.10	\$0.07756	
4.15	\$0.13657		4.15	\$0.08873		4.15	\$0.07760	
4.20	\$0.13664		4.20	\$0.08878		4.20	\$0.07764	
4.25	\$0.13671		4.25	\$0.08883		4.25	\$0.07768	
4.30	\$0.13678		4.30	\$0.08887		4.30	\$0.07772	
4.35	\$0.13685		4.35	\$0.08892		4.35	\$0.07776	
4.40	\$0.13692		4.40	\$0.08896		4.40	\$0.07781	
4.45	\$0.13700		4.45	\$0.08901		4.45	\$0.07785	
4.50	\$0.13707		4.50	\$0.08906		4.50	\$0.07789	

